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Printed copy of report of business conditions for the month of April, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

April 21, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

While at succeeding intervals of two weeks, we during the past three months have been able to report that there seemed to be a very gradual but nonethe less actual improvement in business conditions in this District when viewed as a whole, we now feel almost for the first time, that we see such positive evidence of improvement in many directions as to warrant the belief that the bottom is some distance beneath us and that in the presence of hope based upon very material realization to date, we shall soon forget the very exaggeratedly bad conditions which followed for five or six months the outbreak of the European war. The whole question must be regarded as one of averages, as while obviously a certain few lines cannot fully reach the point of normal activities until the close of the war, others will show greater development than usual in consequence of the strife and our own readjustment to conditions as they are.

Farmers this year will grow the most economical crops that have been produced for a long time and that too without the sacrifice of real efficiency or productiveness. Improvement in cotton prices has throughout half of our District greatly helped not only in permitting present liquidation but in inspiring hope and confidence in the future. One result has been the increase in orders for fertilizer, the purchase of which, however, in our Southern territory will surely not exceed 70% of last year's commitments.

Cotton milling is on an excellent basis, particularly with the many mills which purchased the staple at its lower prices. The question of dye stuffs is worrying some of our friends.

For the first time we think we can distinctly see the silver lining and at the same time feel that it is developing in brightness.

Respectfully,

Chairman of the Board.

Printed copy of report of business conditions for the month of March, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

April 5, 1915.

Hon. W. P. G. Harding,
Federal Reserve Board,
Washington, D.C.

My dear Mr. Harding:-

In endeavoring to meet the wishes of the Board, I this morning was about to undertake the preparation of a letter in review of conditions as I see them in the District, when Mr. Thomas P. Howard, Chief Examiner of the District, came in to tell me that he had received a request to wire the Department condensed views of such statements as he could obtain.

I thereupon at once addressed myself to the subject in the form of a letter to Mr. Howard, a copy of which I beg to enclose herewith. He probably will use only its thought in a very condensed form, and I therefore hope you can feel that I am within the bounds of propriety in sending you the matter in its present form, and further that it will be about what the Board expects in the premises.

A week is almost too short a length of time in which to note in most situations any change of moment, and especially as practically all such information must be at second hand and unconsciously collored either one way or the other. At all events, I would appreciate it if you would let me know whether in the enclosed I am about following the right lines, and if so will you present the letter as my report.

May I invite your attention to the attached clipping from the New York Sun. I know nothing whatever of the individuals in the situation referred to or of their general relation to the common problem, but frankly, my impression is that the Reserve System has very much more to fear from those who are within than from those without.

I also beg to enclose a mass of miscellaneous clippings among which you may find something of interest. From day to day I have been sending you matter of like sort forwarded me by a Clipping Bureau, which in getting hold of more or less widely scattered and at times matter of general interest, does not exactly seem to reach our particular spot, namely the southern newspapers. These present enclosures are from my brother in the office of the Manufacturer's Record, which as you know, touch is close with the southern situation.

Very truly yours,

Chairman.

Printed copy of report of business conditions for the month of March, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

April 5, 1915.

Thomas P. Howard, Esqr.,
Richmond, Virginia.

Dear Mr. Howard:-

Referring to your call of this morning and suggestion that you would like to have an expression from me touching general business conditions in District No. 5, I beg to advise that while I most cheerfully attempt of offer you some thought, I rather fear that it will not be very helpful to you in assisting your judgment in a large, and what is worse, a most mixed situation.

It is possibly true that at the moment it is more difficult to reason from past and present causes to future possibilities than at almost any time in the past which I remember. Ordinarily, heretofore we have had to deal with the limitations of conditions in a country in which, in the presence of rigid banking laws, we were well aware that trouble once started would have to follow more or less well understood courses, and in consequence corrective measures when applied, usually produced certain, shall I say, anticipated results more or less promptly.

During the past eight months we have had experiences without precedent, and while it is fairly easy to reason after the fact in such situations, it might be accounted more difficult to draw from them inferences upon which it would be safe to rely for the future.

In District No. 5, we have with us two different credit situations, each quite sharply defined in opposition to the other. Generally speaking, north of Richmond, conditions are normally easy, based possibly upon judgment more in line with the thought held in strictly creditor sections. South of Richmond, generally speaking, the reverse of such situation obtains, in that very commonly it is found that credits when extended are more than generous, and in a large percentage of instances, fixed in their use by the borrower. Incidentally, the northern part of our territory, when a debtor, is so by reason of its intimate relations with the southern or creditor half of the District.

CATTLE

Banks in the cattle districts have been somewhat tied up for the reason that the cattle market has been made quite irregular as a result of the presence or fear of Hoof & Mouth Disease. Not only has there been a ban upon the free movement of sound cattle, but many people, through fear, have been selling farm stock at prices which have tended to prevent stability in the market. Meanwhile, the banks are carrying much of the burden.

FERTILIZER

Local concerns and those elsewhere sell any very material share of their product to territory south of this city, may possibly be said to be marking time. From the cotton sections strictly, as also from certain neighborhoods where tobacco has proved unprofitable, fertilizer collections have been very slow. In consequence, with a very great volume of accounts carried over, the manufacturer is in a strait'twixt two in that he fears to supply even the diminished wants of those who are behind with him, while on the other hand, his high class trade which has paid up, is extremely cautious in buying for the present season. As a result, fertilizer sales to the moment are probably not more than one half in volume of those of last season. Of course, such a condition means a certain number of people thrown out of employment, with a loss to general trade of their usual purchasing ability.

COTTON

The movement of the staple during the past thirty days at generally hardening values has permitted quite a little liquidation to the banks and merchants local to the cotton territory. This probably would be more apparent were it not for the fact that it is being made at a season in which the banks are beginning to feel the demand for fresh seasonal advances. These latter should not be as heavy as they have averaged heretofore, as all seem to agree that the farmers generally in our southern country have been so worried during the past few months that they have such full disposition to retrench all along the line that crops grown this year will be on a much more favorable basis to them in the way of expense of all kinds, they requiring less money to finance them.

COTTON MILLING

Uncertainty as to the final adjustment of the price of cotton has caused very many mills to go slowly in purchasing supplies, not only for this particular reason from their own point of view, but because of the fact that their purchasers, in fearing to make contracts for future delivery, are disposed to live from hand to mouth in purchasing cotton goods, and particularly so as in sections unrelated to iron and cereals, the retailers must be feeling slackness in their general lines. Certain mills entered the market for cotton on quite a generous scale when its price off the wagon in their own neighborhoods was say 6- 7¢ and such of course are doing quite well.

TOBACCO

In this District there seems to be a better feeling in the market for both bright and burley grades, and prices possibily 10% better than was the case six weeks ago. Foreign demand, apart from the English market, has fallen off for the reason that in countries such as Italy, France and Austria, they apparently have all that they need at the moment. On the other hand, the English market, as has consistently been the case, is good and steady, and is really responsible for something better than stability or stagnation in prices.

Quite a little tobacco is held in hands owning faith in its future, or in other words, held for a greater rise than has heretofore been in evidence.

RAILROADS

The carriers, or certainly some of them, report better net profits, more possibly as a result of curtailment in their expenses than for other reasons. This very curtailment, however, must have a tendency to diminish the purchasing power of those directly affected in effecting retrenchment.

HORSES

A steady demand and good prices has been in evidence for horses to be used by foreign governments. Most of this movement from District No.5 is, at the moment, through Newport News. Baltimore had much of the business until it was claimed that treatment given the animals awaiting shipment was cruel in its nature, and the agitation resulted in loss to Baltimore of much if not all of the movement.

GRAIN AND PRODUCTS

The export movement, particularly from Baltimore, continues large and steady, and at prices which must mean profit both on the raw sales and the finished material. It is quite likely that much of this profit is being reaped by the farmers who when wheat was selling at or about one dollar, simply would not part with it.,

BANKING

Referring to the District as a whole, its banking position is certainly much improved over the situation of a month or two ago. Emergency currency still outstanding in sections to the south of us is used at its current rates, more as a matter of profit than necessity, although such statement would not be true of possibly a dozen or more banks in the Carolinas.

Cotton sales have permitted not only a certain amount of actual liquidation, but a readjustment of loans which has made for a much more comfortable feeling. The consciousness among member banks which is beginning to be well appreciated, that in the Reserve Bank they have a haven of refuge, is certainly responsible for a generous share of this feeling.

As suggested, in a relatively few individual cases, we have soft situations with which to deal. Some of them are inherently weak by reason of their management, while others, althgether sound at bottom, have become congested in extending legitimate aid either to local trade or the smaller country banks.

REVIEW

While the presence in quite a generous way of a spirit of economy, either forced or otherwise, is making for an accumulation of idle money in the banks in creditor neighborhoods, it probably is fair to say that the general feeling for the future is one of optimism, not at all rampant or exaggerated, but based upon the expectation that the moment the markets of the world as a whole are given a chance to reflect the effect of an untrammeled movement of commerce, we are apt to see manifest and general improvement, and to meet the necessities of such a case the banks generally speaking are surely in admirable position to take care of it.

XUM

There certainly will be a greater diversification in crops in southern country than heretofore we have ever seen.

It is hardly necessary to refer to the work of the Reserve Banks, either since November last or prospectively, while their presence is possibly responsible for almost everything practical which happened up to January first. The excess of exports over imports has given and will give the country for some little time, such an excess supply of capital that it in connection with the facilities of the Reserve Banks, should insure stability in money and credit situations, excepting in occasional instances where had it not been for the general situation made by the Reserve Banks, banking institutions would long ago have seen failure. It should be our aim at the moment to try to redeem these soft spots, not by meeting their every wish for additional funds so much, as by so critically examining their offerings as to impress upon them the importance of setting their houses in order.

The general business situation seems to be inherently sound and full of hope for the good times which must be experienced by all just as soon as we can learn that Europe is through fighting.

Very truly yours,

XUM

Printed copy of report of business conditions for the month of May, 1915, is not available. The following is a complete copy of the carbon copy ofthe report which appears in our General Files.

May 18, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

The month just past has witnessed very little change in general business conditions in the Fifth Reserve District. Agriculturally, May was a month of preparation, and hope for the future has been increased in the presence of timely rains and the knowledge that the close of the planting season shows that there is material diversification, especially in sections heretofore almost entirely given over to cotton. The recent softening in the price of this staple has somewhat checked liquidation, which however had proceeded far enough to be of great help not only to the debtors themselves but to their creditor jobbers and merchants. Economy seems to be the watch word, and its practice, while ultimately most beneficial to consumers, has not contributed to the profits of those ministering to their wants.

In consequence, most lines, including retailers, report in comparison with last year this time, a materially diminished volume of business, although from almost every direction we learn that conditions show material improvement over those of three months ago.

The demand for bank credit is very quiet and modest in amount, with the result that local institutions are apparently comfortably able to care for it without recourse to borrowing. Bank loans as a whole reflect more a desire to shift transactions already open than a demand for fresh credit.

Manufacturers and exporters of goods for war purposes are, of course, an exception to the general rule. War developments apparently have had no effect either upon credit conditions or the demand for funds, for which fact it is possible the presence of the Federal Reserve Act may in large measure be responsible.

Respectfully,

Chairman of the Board.

Printed copy of the report of business conditions for the month of June, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

June 23, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

During the past thirty days, little change has been observed in this District either in general trade conditions or in particular lines of business activity. It can fairly be said that any progress heretofore evidenced has been held, although no material further development is shown, as indeed might naturally be expected in a territory so largely agricultural and during a period immediately preceding the earliest movement of its farm products.

Comparatively few manufacturing establishments in District No.5 are the beneficiaries of orders for war materials with the consequence that retail trade generally is quiet, in reflection of economies being practiced by ultimate consumers. These are most manifest, particularly in cotton and tobacco territories.

Some of the cotton mills claim to be making money, but it is probably the fact that most of them are satisfied with nominal profits.

Lumber is in poor position, with little prospect of improvement in the immediate future. Tobacco has been over-planted and in the presence of excellent stands prospects point at the moment to a yield which in connection with the great quantity of the staple now being carried by warehousemen, suggests the possible presence of prices in the future which will not be at all acceptable to the growers. Diversification should help a generous number of farmers who have undertaken it, even should it happen that the price of grains be lower than the high-water marks reached by them some months ago.

While the banks at our centers probably are holding very little more than reserve requirements demand, it is also true that they are not being called upon for fresh credits in any large way. The interior banks, having met the spring demands of their customers, will require very little further aid until possibly the actual movement of the larger staples will demand currency against temporary credits.

There is no demand from any large direction for further liquidation, suggesting that creditors are satisfied both with immediate conditions and prospects. In other words, the general situation seems to be sound and in position promptly to develop as conditions permit.

Very truly yours,

Chairman of the Board.

Printed copy of report of business conditions for the month of July, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

July 19, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

In this District during July wheat and oats have been harvested in the presence of prices which, if lower than the fancy figures which prevailed last fall, have permitted substantial profit to the farmer . Planters who were moved to cut cotton acreage in favor of these cereals should be satisfied with the result of the experiment. Wheat at $1.10 andoats at 60¢ both sold, should look better certainly at the moment than cotton awaiting the possibilities of an unknown future, three months distant. Packers' seasonal truck has brought prices unsatisfactory to the grower as canners carrying large stocks from the pack of last year have entered the markets only on their own terms. Potatoes, heavily overgrown, are finding low prices. This District as a whole has been spared the devastating storms of wind and water with which the West has been afflicated. Cotton, a little late, is in excellent condition, but softening prices are not comforting to the planters who, however, will this year have at their command better facilities for financing their crops than heretofore have been offered. Building operations are generally limited to repair or smaller operations and related lines are dull. Retail trade is very quiet, reflecting both unusual economy practiced by customers and the general mid-summer dullness.

Coal seems to be in somewhat better position both with respect to movement and price. Banks in the District are experiencing a somewhat better demand for credit for use in meeting usual seasonal needs for expenses pending maturity of the larger staple crops. While the demand will be scattered and apt to continue during August and September, its aggregate amount should not be great. Business viewed as a whole is just about holding a steady position, which probably is all that can be expected at this season.

Printed copy of report of business conditions for the month of August, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

August 23, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

As time passes, readjustments compelled or induced by war conditions have reached a stage in this District at which their effect upon its general trade conditions is beginning to be in evidence. Labor of all classes seems to be very well employed, while there is a strong demand for skilled mechanics. In the increasing number of cities within this District in which manufacturing is developing, payrolls are much heavier than was the case sixty days ago. The retail trade is just beginning to feel the effect, as wages received to date have in large measure been used in liquidating indebtedness incurred during a preceding period of idleness. August is always a quiet month in many retail lines, and the fact that some little improvement is noticeable in comparison with July, possibly reflects a change of conditions which will be gradually accentuated.

The larger jobbing distributing centers in the District are almost as greatly dependent upon cotton as is the territory in which the staple is actually grown. In consequence, general trade collections, while comparatively light as is usual in mid-summer, are not disappointingly small.

In the Carolinas it seems to be very widely appreciated that this year there can be no excuse for a repetition of the experiences of last Fall. The knowledge that there is now at hand well organized agencies competent to assist in the gradual liquidation of cotton, free from undue pressure upon the farmers, has had a most steadying influence and will make for the marketing of the staple at prices subject only to the universal law of supply and demand, but freed from artificial or hysterical conditions. Banking facilities now available as a matter of routine will, in permitting the generous use of cotton as collateral when desired, enable the growers rapidly to liquidate seasonal indebtedness to mature in the Fall, and such a condition should make for the happiness not only of the banks and merchants immediately indentified with the farmers, but in turn with distributors of all kinds who have done business with the cotton section.

Cotton milling has been somewhat uneven in its favors, in that while many properties have been doing well, the minority has not fully met its expectations.

Some of the more southern of our tobacco markets have opened at prices which seem to be satisfactory to all concerned, and better than have been expected in the presence of a very generous stock carried over from last year. The quality is better than was the case last season.

From both the Carolinas come reports of satisfaction over the result of experiment in greater diversification than heretofore practiced.

XUM

Well distributed rains insure the promise of a generous corn crop of excellent quality, while for the same reason, grass and hay crops, in being bountiful, will insure to those raising live stock very much better return for their labor than was the case last year. As evidenced by results, diversification has so justified itself as to make it reasonably certain that another year will witness a still further development of the idea.

Lumber is least responsive to change for the better in all of the larger lines. The trade is still in a depressed condition, which, while no worse than has been the case for some time in the past, does not show any improvement. This is only another way of saying that building trades and wood workers generally, such as furniture manufacturers, show no special improvement.

Sections largely given over to white potatoes and vegetable truck have been disappointed in prices, and in consequence liquidation in such sections has not met expectations.

Coal is working into a better position. While the tonnage has greatly increased, to the benefit of labor, the increased profits in the business have been limited largely to those operating on a generous scale. At the same time, continued export demands in connection with the gradual but sure increase from domestic manufacturers, promise well for the immediate future.

Money is easy, with little demand for credit excepting in continuance of indebtedness outstanding since the planting season. There should be some further demand during the next thirty days from the cotton territory for use in connection with saving the crop, but the total amount of such credit should not be great and can be easily supplied.

Viewing the situation in the District as a whole, favorable facts and promises, both actually and comparatively with the recent past, so outweigh single unfavorable situations as to inspire for the future a feeling of satisfaction and confidence.

Very truly yours,

Chairman of the Board.

XUM

Printed copy of report of business conditions for the month of September, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

September 22, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

The near approach of the time at which cotton is to move finds general business in this District in a much more favorable position than could have been anticipated three months or more ago. At prices now prevailing for the staple, a large share of the crop will move from first hand, and consequent liquidation of seasonal trade obligations is apt to be in generous volume, either as the result of such actual sales or from the proceeds of loans negotiated upon some percentage of the crop.

In this District, there does not seem to be present any nervousness on the part either of the producer or consumer, as all appreciate the practical value of banking facilities now at their command, the absence of which last year so largely contributed to the uncomfortable and excited conditions which prevailed. Not only are collections quite fair for this season of the year, but what is as essential, orders are being placed for the future in an increasing volume, which will be accentuated should present world conditions be maintained.

In tobacco, the possibility that the central Governments in Europe, which have stored in this country a material share of last year's purchases, may not during the present season be in the market as actively as heretofore, may later be a depressing influence. Meanwhile leaf prices are holding very well, while manufacturers are busy on favorable terms.

Cotton milling in several directions is beginning to feel the effect of the absence of a proper supply of dye stuffs.

Great improvement is noted in the furniture manufacturing lines, an industry of generous proportions in this District, the movement helping lumber in some slight degree. Building operations, however, are far below normal.

Retailers are doing better and with the advent of cooler weather we look for further and pronounced improvement, which will be permitted in the presence of labor which is very fully employed and which in fact, in some neighborhoods, is scarce.

Coal is continuing to hold the improved position it gradually has been occupying during the past ninety days.

Banks throughout the District are in an easy position and in only a relatively few instances, (and these are to be found in strictly agricultural sections), is there any evidence of over-borrowing. By far the greater number of banks are either rediscounting very modestly or have idle funds awaiting investment.

Conditions as a whole are sound, quite comfortable, and of excellent promise for the Fall months.

Very truly yours,

Chairman of the Board.

Printed copy of report of business conditions for the month of October, 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

October 31, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

In watching the slow and at times halting development of business during the past several months, it now gives distinct pleasure to report that this District is now experiencing quite full fruition of long deferred hopes.

While "cotton" is largely responsible, it can fairly be said that the comfort, both comparative and actual, of a present situation is attributable to the fact that intelligent and very general curtailment in its acreage, while naturally having a direct bearing upon the immediate price of the staple, accomplished wonders both immediately and it is hoped prospectively, in that the value of diversification has been clearly demonstrated. If the principle can be adhered to and the idea further developed in the future, land owners in the cotton states will soon insist, not only with themselves but with their tenants, that better average results will be had in diversification than in devoting their entire supply of energy to the cultivation of a single crop, even under the temptation of a flattering price in any single season received for such crop. It therefore is true that while the denial of primal impulse has resulted in high prices for a comparatively short crop of cotton, it also is the fact that the acreage withdrawn from cotton has yielded tobacco and grains of generous values, with the result that the farmers will remember the present year as one of plenty when measured either in terms of commodities or money.

Cotton has been moving freely, permitting generous liquidation, and what is almost as important, the movement is allowing local jobbers and merchants with confidance to replenish stocks which have been carried at low water mark, thus materially helping manufacturing lines. Many planters who have sold sufficient cotton to enable them to pay outstanding debts are now apparently disposed to store and hold part of their crop for prices which they hope to see even better than those prevailing at the moment. The liquidation noted can be observed all along the line from a local bank or merchant to the more or less distant bank, jobber or manufacturer.

Tobacco has been of excellent quality and is selling at prices good for the growers.

Vegetable and fruit packing, a large industry in this District, after a long period of stagnation, reports conditions to be decidely better than was the case two months ago. There is noted a very much better tone to business and a very marked change for the better in the demand for goods, particularly from the cotton districts.

Lumber, always slow to recover from stagnation, shows some real sign of improvement.

Retailers are quite generally feeling the effect of changed conditions while automobile dealers, certainly in some sections, report more business at the moment and prospectively than for several months, which fact, while indicating immediate comfort of mind, may also suggest that the resolution prompting economy undertaken when in distress some months ago, may have been forgotten.

Cotton milling is prosperous and mills are running full time, taking cotton as offered locally, though under no pressure either to buy or sell. Coal is in good position and its great tonnage is materially helping the railroads in caring for its territory.

Labor seems to be fully employed and on a basis satisfactory to all interests. Public service utilities, such as street railways, gas and electric concerns, report an enlarged use of their facilities.

Banks, including most institutions located in sections which are debtor more or less continuously, are in a very easy position, many of them reporting funds to spare.

From present indications, a very comfortable and promising industrial situation with us at the moment, is apt to continue to be in evidence during the next three or four months at least.

Respectfully yours,

Chairman of the Board.

Printed copy of report of business conditions for the month of November 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

November 19, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

The month of November has witnessed a further development of the very satisfactory general conditions heretofore reported as strongly in evidence. The Carolinas sold cotton freely at top prices, and in doing so permitted general and generous liquidation. With the recent softening in the market for the staple, theplanters are somewhat disposed to store cotton rather than force its sale.

The weather has been most favorable for out-door operations. Many farmers, in deferring the handling of the remainder of their crops, are preparing some share of their land for wheat, a hopeful sign.

Tobacco, both natural and manufactured, is in a position satisfactory to all concerned.

Some coal concerns are now doing the largest business in their history. At some points, trouble is being experienced as a result of car shortage. Mines are working at full capacity and some concerns have ceased giving out quotations on spot product. While a heavy export demand continues, the consumption for domestic purposes is very greatly increased. Prospects for the future are better than fair, operators having only in mind as a possible handicap the thought that there may be some shortage in the labor supply.

Lumber, while improving slowly, gives evidence of better things in the future, in meeting an increasing demand both for export and domestic uses.

Manufacturing enterprises are doing well, while jobbers are booking generous orders from interior merchants desiring to replenish exhausted stock.

Collections are good. Commodity liquidations haspermitted borrowing banks not only to meet their maturing obligations with full comfort, but has provided surplus funds for which at the moment there is no real demand. Banks throughout the District are in a more comfortable position than has been the case for some years. Borrowers in many directions have been able to pay not only their indebtedness due to their operations inthe past season, but to settle a generous share of debts carried over from 1914.

Labor is fully employed. While the banks are not able profitably to employ their full resources, it is true that in the district as a whole, general business is in excellent position, both immediately and prospectively.

Very truly yours,

Chairman of the Board.

XUM

Printed copy of business conditions for themonth of December 1915, is not available. The following is a complete copy of the carbon copy of the report which appears in our General Files.

December 20, 1915.

Federal Reserve Board,
Washington, D.C.

Dear Sirs:-

During the past month, trade in practically all lines has been in a healthy, satisfactory position, and there has been no retrogression from the advances shown so pronouncedly in October and November. The department stores and retailers generally now are busy. Settled cold weather and the holiday season have materially stimulated business. There is no lack of employment, but on the contrary, skilled labor of almost every kind isin demand at full prices.

With the softening in the price of cotton in November, there was noted a decided tendency to store some of the unsold portion of the crop. While the market has recovered, this same tendency persists in many directions, but not to such extent as to prevent the liquidation of debts due for settlement.

Lumber is noticeably improving, under a broadening demand. Coal operations are fully engaged, on a profitable basis. Credit is easy and while there is no evidence of abuse, is being freely used by manufacturers and jobbers, in caring for fresh orders withheld over a long interval. While both sellers and buyers of commodities express themselves as satisfied with the present outlook, neither, as a class, are overtrading. The result is a healthy trade condition. Speculation and imprudent undertakings are confined to the stock markets of two or three of the largest centers in the District. General conditions are highly satisfactory.

Respectfully yours,

Chairman of the Board.

XUM